

## SUPREME COURT INCOME TAX LAW DECISIONS WILSON'S PLANS

Announcement of Ruling Upholding Terms of Underwood Tariff Act. Opens Way To Raise Revenue For Defense Program

MEASURE NOW PENDING  
WOULD IMPOSE SURTAX

President By Personal Conferences With Solons Seeks To Hurry Congress To Speedy Consideration of His Measures

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—The Supreme Court yesterday handed down its decision on the five appeals taken to it from various States regarding the constitutionality of the income tax provisions of the Underwood Tariff Act, the decision upholding the validity of the legislation.

This decision is being taken advantage of immediately by the advocates of preparedness in congress, the sustaining of the right of the federal government to enact a federal income tax opening the way for further taxation for the securing of revenue.

**Proposes Sur-Tax**  
Congressional action on a bill introduced by Congressman C. Hull of Tennessee, which proposes to impose a surtax on incomes of a million dollars a year and over up to fifty per cent, is now pending and Representative Hull is now drafting an amendment whereby the limit of exemption, now \$3000 a year for unmarried persons, will be considerably lowered.

With the ruling in favor of the validity of sufficient revenue by the imposition of increased taxation on incomes and the retention of some tariff schedules, the preparedness program is to be rushed, with the needs of the Army and Navy to be given the right of way over other legislation.

This result of the President's ideas as based partly on the lesson of the present war in Europe is now plainly developing in Washington. It was announced that the President has decided to hasten action on the appropriation bills which are before congress. These bills are to be cleared away and then the army and navy bills will come up. Considerable debate on these measures is expected and by that time the President will have taken one or more of his proposed speech-making trips on behalf of the defense program.

**Confers With Solons**  
By personal conferences with congressmen and senators President Wilson is bringing to bear his influence on the preparedness program in the wish to reach the military and naval measure as speedily as possible. The lower house committees are reported to be working double tides in the effort to finish pending legislation and clear the way for the bills the President wants to see passed. It is hoped that the work will be done and congress able to adjourn before the date set for the national conventions of the big parties.

In addition to his work with the solons, the President is also at work on his proposed speechmaking tour of the United States in behalf of his preparedness campaign. Yesterday the White House announced that St. Louis has been added to the itinerary of the trip.

## STEAMER IS DISABLED IN A TERRIFIC GALE

(Associated Press by Federal Wireless.)  
QUEENSTOWN, January 25.—The steamer Pomeranian, outward bound from Glasgow to Canadian ports is reported to have lost her rudder and her propeller in a gale that struck her in the St. George's channel, off the east coast of Ireland, shortly after leaving the Clyde mouth. She is under the tow of a steamer, the name of which has not been given in the wireless reports, and will be brought to this port for repairs. The wireless announces that there have been no losses on board the steamer.

## EXPLOSION DESTROYS MANUFACTURING PLANT

(Associated Press by Federal Wireless.)  
BUFFALO, January 25.—Four persons are known to have been killed and four injured when the Kellier Blower Company's plant was destroyed by an explosion yesterday afternoon. Several others are missing and their friends believe that they are dead. The building, which is a three-story one, crumpled after the explosion, and caught fire. Twenty-two persons were in the structure at the time of the accident.

## GIRL DIVES HEAD FIRST SIXTEEN STORIES INTO A LOAD OF PAPER BOXES AND SHE WILL RECOVER

(Associated Press by Federal Wireless.)  
CHICAGO, January 25.—Plunging headfirst down sixteen stories from the window of an office in the Transportation building of this city, yesterday afternoon, Minnie Werner, a stenographer seeking death, dove into a load of paper boxes piled high in an autotruck that was standing by the curb. Her skull was fractured by the fall, but the physicians at the hospital to which the girl was rushed afterward, announced last night that she probably will recover, as they are able to discover no traces of internal injuries.

## JAPANESE RIFLES ARE STOLEN FROM EXPOSITION SITE

Thirty-eight Models Disappear With Other Exhibits At Panama-Pacific Grounds

(Special Cablegram to Hawaii Shipco.)  
SAN FRANCISCO, January 25.—The Japanese military exhibit at the Panama-Pacific exposition has been stolen on the eve of being boxed for re-shipment to Japan.

This was announced yesterday afternoon by the Japanese consul-general, who declared that more than thirty-eight models of rifles invented by Japanese army officers, and the construction of which was a secret to the Japanese, had been stolen.

The rifles, it was stated, apparently were taken one at a time, and it was added, that there is no clue to the thief.

The United States government, it was reported, will take the matter up at once, and secret service men are already reported to be at work on the case.

## PHILIPPINES MAY BE TURNED OVER TWO YEARS HENCE

If Other Powers Refuse To Guarantee Integrity America Alone Will Take Responsibility

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—Despite the emphatic announcement of Senator Hitchcock of Nebraska that President Wilson would not favor any amendment to the Philippine Bill which would designate a time when the American administration of the Philippines would be withdrawn and the government turned over to an independent Philippine Republic, it now seems possible that the administration will agree to the formal pronouncement of such a date and will agree to adopt the amendment offered by Senator Clarke of Arkansas.

The Clarke amendment, as originally offered, pledged the United States to withdraw from the Philippines at the end of two more years, pending the withdrawal of the President to negotiate with the other powers to secure an international guarantee of the integrity of the new republic for five years, during which the Philippines could work in safety for a settled government.

If the administration finally decides to accept the amendment, it will be altered somewhat. The period of further American occupancy of the archipelago will be made somewhere between two and four years, with the proviso that the President may reserve certain land rights in the islands for the use of the United States, presumably as naval bases. The amendment will authorize the President to invite the other powers to join with the United States in a pledge to maintain the sovereignty of the Philippine Republic.

If the President be unable to negotiate such an international agreement, the amendment will provide for the guarantee of the safety of the Philippines from foreign aggression by the United States alone.

## Officers of Japanese Army With Entente Allies On Western Front In Europe



## OFFICERS OF ARMY WILL AIR TROUBLES

Generals Goethals and Edwards Start For Washington To Air Their Differences

(Associated Press by Federal Wireless.)  
PANAMA, January 25.—General Goethals, governor of the Canal Zone and engineer-in-chief of the Panama canal, has left here on the same steamer with General Edwards, military commander in the zone. They are bound for Washington, where they intend to air their differences.

General Goethals, in formal statements recently issued, makes certain assertions regarding the cost of building construction on the military reservation that are bitterly resented by General Edwards.

Other statements by the governor are also resented by the military commander, particularly the assertion that has been credited to General Goethals that the military and civil governments should be combined under the one head. The differences between the two army officers, which have been brewing for some time and growing worse and worse, came to a climax recently, and the trip of both to Washington is the outcome.

## MINERS AND OPERATORS SETTLE ARIZONA STRIKE

Companies Will Not Recognize Unions Under Agreement

(Associated Press by Federal Wireless.)  
CLIFTON, Arizona, January 25.—The strike of the miners here has ended with a compromise agreement between the men and the companies. The unions will not be recognized by the companies, but officials of the employers will meet each month a grievance committee of the men, and take up with that committee any complaints that the men may have. The strikers have agreed to go back to work under the sliding scale of wages suggested by the officials of the companies, although officers of the unions bitterly opposed the adoption of this suggestion when it was put forward.

## COMMONS HAS PASSED CONSCRIPTION MEASURE

(Associated Press by Federal Wireless.)  
LONDON, January 25.—The government's measure, providing for a modified form of conscription, passed the third reading of the house of commons yesterday by a vote of 383 to 36. The bill now goes to the house of lords for action.

## IMPERIAL FORCES ARE BEATEN AGAIN

Revolutionary Troops Defeat Yunnan Army and March Against Capital of Yunnan

(Special Cablegram to Nippon Jiji.)  
TOKIO, January 24.—Yeechow has fallen to the revolutionary troops of Yunnan, who defeated the imperial forces in a battle yesterday. The revolutionists are advancing toward the capital of Seiching, whose people wish independence, and it is believed that this presages a loss of control of Seiching by Yunnan. Another battle was fought at Chungchung, which resulted in defeat for the Yuan troops. There were many casualties.

Admiral Winterhalter, commander-in-chief of the American Asiatic fleet, has ordered a gunboat from Chungking to Yeechow to protect Americans. She sailed today.

Troops of Shantung province are well disposed toward the revolutionists and that province, which lies south of Chili province, in which Peking is situated, may declare its independence.

Notes have been sent to all the foreign ministers at Peking by the Yunnan provisional government asking that they take an impartial attitude toward the revolutionists. Japanese Minister Higaki transmitted the note to Tokyo.

General Huang-hang was found in Tokyo yesterday, but he left for the west of Japan last night.

## SENDS FUNDS TO REVOLTERS

This dispatch reveals a story published by the Tokio Kokumin Shinbun, the leading paper of the capital, received here by mail, that General Huang-hang, supposed to be in Philadelphia and from whom many statements emanated, really had gone to an island of the South Seas, under an assumed name, and that he was in frequent correspondence with the revolutionary leaders in Japan, supplying them with funds.

According to this story, the general was supposed to be ill when he left Philadelphia, and at that time another assumed his name. The despatch as to the sending of an American gunboat to Yeechow from Chungking is obscure. It was necessary to translate into Chinese the Japanese characters, and an error may have arisen in this, for Chungking, and Chungchung as well, are said by Chinese to be islands in Tungting lake, several hundred miles up the Yangtze river.

## DOVER RAIDED BY AIRMAN

(Associated Press by Federal Wireless.)  
LONDON, January 25.—One German aeroplane circled for a time over Dover yesterday afternoon and dropped a number of bombs. Anti-aircraft guns and two british naval machines, which rose to meet the Teuton, drove him away before he accomplished any material damage.

## LUSITANIA TANGLE MAY BE UNRAVELED

Proposals From Berlin Government Intended To Settle Controversy Are Received

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—Proposals from the Berlin government designed to settle the Lusitania tangle have been received at the State Department and submitted to the President, but as yet the United States authorities are keeping the details of the proposals and suggestions a close secret, and no hint of their real character has leaked out.

From unofficial sources it has been learned, however, that the indications are that the documents from the Wilhelmstrasse are such as will lead to a successful termination of the long negotiations begun shortly after the sinking of the big Cunard liner with its load of helpless women and children by a German submarine, and the drowning of hundreds of passengers, many of whom were American citizens. It is understood that Germany has eliminated all mention of the warning that was printed by direction of the German embassy before the steamer sailed from New York, and which at the time of her destruction was taken to mean that the Teutonic diplomats in this country were well advised of the plans of Admiral von Tirpitz, head of the German admiralty, and knew that the destruction of the Lusitania had been decided upon in Berlin.

This, it is said in well informed circles here, may prove a last stumbling block in the path of total settlement of the whole affair, as it is reported that President Wilson has rejected the last proposals and has replied mentioning this warning and asking explanations thereof.

## TWENTY-TWO RIOTERS JAILED AFTER BATTLE

(Associated Press by Federal Wireless.)  
ROCKFORD, Illinois, January 24.—Twenty-two men were arrested and taken to jail here today, following a battle between police and rioting workmen from the Shengler-Loomis plant. The riot was started by the workmen because some of their numbers were discharged on Saturday. In the melee clubs and pistols were used, but the injuries are not serious on either side.

## HUGE CHALMETTE SUGAR REFINERY HAS REOPENED

(Associated Press by Federal Wireless.)  
NEW ORLEANS, January 25.—The huge Chalmette sugar refinery of the American Sugar Refining Company just below this city, has re-opened for work after being closed for some months. Six hundred workmen have been put to work by the management, and four hundred others have been notified that they will be used on part time, as required.

## TURKEY PREPARES TO ADMIT BLAME

Constantinople Soon Will Announce That Ottoman Submarine Sunk Steamer Persia

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—Unofficial advices have been received here that Turkey is preparing a statement acknowledging that a Turkish submarine attacked and destroyed the P. & O. liner Persia in the Mediterranean on December 30.

The liner was torpedoed without warning and sank within five minutes after being struck. Men, women and children to the number of three hundred and thirty-three were killed, including two Americans, Consul General McNeely of Aden and Rev. Homer R. Salisbury, a Seventh Day Adventist missionary.

The torpedoing of the Persia followed the pledge of the Austrian government not to attack passenger carrying ships without warning by a bare twenty-four hours. Austria, a few days ago, officially denied that the submarine which attacked the Persia was flying the Austrian flag.

## GOVERNMENT SELLS OLD NAVAL COLLIER JUSTIN

Demand For Freight Carriers Forces Bidding Up High

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—The demand which exists at present for freight carriers was demonstrated yesterday at the sale by the government of the naval collier Justin, lying at Mare Island and condemned as being unfit for further government service. The government experts had placed a valuation of \$75,000 upon the collier and an upset price had been fixed at that figure.

There was spirited bidding when the steamer was put up for sale, being finally sold to John Rothschild of San Francisco, at a bid of \$236,200, more than three times the naval estimate of worth.

## KING OF MONTENEGRO IN ROME, A REFUGEE

(Associated Press by Federal Wireless.)  
ROME, January 24.—The king of Italy today met his father-in-law, King Nicholas of Montenegro, who arrived here this morning, a refugee from his country.

## HAWAII NEEDS STRONG FLEET OF SIX GREAT BATTLESHIPS

Major-General Murray Tells Senate Military Affairs Committee Pearl Harbor Should Be One of Three Big Naval Bases

THIS IS LOGICAL OUTPOST  
OF THE COAST AND PANAMA

Recommends Army Three Times Present Size With Short Enlistments To Spread Military Training Among Men of Nation

(Associated Press by Federal Wireless.)  
WASHINGTON, January 25.—Major-General Arthur Murray, retired, one of the witnesses before the senate committee on military affairs yesterday, believes that Hawaii should be one of the three great naval bases for the United States, with a battleship fleet stationed at the islands.

There should be three battleships fleets for the navy, he said, each consisting of at least six battleships, with auxiliary vessels, in order that the American coasts may be adequately guarded.

One such fleet should be stationed at New York, for the protection of the New England and Northern Atlantic coast; one should be stationed at Guantanamo, Cuba, and the third at Pearl Harbor, Hawaii, which is the logical base for fleet operating for the defense of the Pacific Coast and Panama.

Submarine also needed. Each important harbor on both coasts should have two coast defense submarines, to protect it against the sudden attack of a raiding squadron.

An army at least three times the size of the existing regular army is needed for the protection of American territory from invasion, he said, while he advanced the important suggestion that the term of enlistment be cut down to one year in the infantry and eighteen months in the other arms of the service, with the recruits not obligated by any definite term of service in the reserves. Through this short enlistment term, with intensive instruction, men could be turned out able to step back into the military service of the country in the event of war with a sufficient knowledge of military duties to enter the first line of defense without further preliminary training.

**Coast Defense Militiamen**  
He said that experience has shown that the coast defense militiamen are able to learn quickly how to handle the mortars and big guns of the coast defense posts and can be utilized to advantage in the event of a crisis.

Brig. Gen. William Crozier, chief of ordnance, told the military committee that the largest mobile howitzer in the American army is of 7.6 caliber, and that only preliminary plans have been made for 9.5 inch guns of this type. No designs for a 16-inch howitzer, comparable to the German 42-centimeter gun, have been made, he said, and he commented that American military observers indicate that guns of this size will be necessary to demolish entrenchments.

## CHIEF OF STAFF ON DEFENSE NEED

The United States in case of war must have an army of one or two million men or accept disaster, it could not give as good an account of itself as Turkey; every student of military affairs agrees that only universal service will give us a satisfactory army; there is no system by which the national guard can be made a force on which the United States could depend in case of emergency.

These were the salient points brought out in the testimony of Maj. Gen. Hugh L. Scott, chief of staff, U. S. A., at the hearing of the house military affairs committee at Washington, now in progress. The general was on the stand more than three hours, and was put under a cross-examination far more vigorous than that of which Secretary Garrison, who was the witness for two days last week, had been subjected.

The danger to the United States of invasion was brought out by Representatives Anthony and Green. The discussion started after General Scott had declared that the prospect of universal service with 2,000,000 men under arms "would not frighten" him. He explained that they would be needed in case of invasion.

**Could Land Here In Two Weeks**  
Representative Anthony declared his belief that it would be impossible for Germany or any other nation to land a force of over 250,000 men on America.

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